

REGISTRY OF ELECTION FINANCE

The Registry of Election Finance met Wednesday, December 17, 2008, at Suite 1614 of Parkway Towers, 404 James Robertson Parkway, Nashville, Tennessee.

Presiding over the meeting was Chairperson William Long. Attending the meeting were board members George Harding, Patricia Heim, Wade Hinton and Lee Anne Murray.

On motion by Harding, seconded by Heim, the board voted unanimously to approve the minutes from the November 12, 2008 regular board meeting. The motion passed the board unanimously.

Reconsideration

08-37 Schree Pettigrew, for failure to file a 2008 mid-year supplemental campaign financial disclosure report. Class two (2), no report filed, maximum ten thousand (\$10,000) civil penalty. Ms. Pettigrew has had no previous matters before the board.

The board voted at its November 12, 2008 meeting to assess Ms. Pettigrew a \$10,000 civil penalty. Ms. Pettigrew requested a reconsideration of the assessment.

Ms. Pettigrew submitted a sworn statement for the board's consideration. In this statement, Ms. Pettigrew explained why she failed to file the required report. Ms. Pettigrew further explained that the report has now been filed.

A motion was made by Harding not to reconsider the \$10,000 civil penalty assessment. The motion not to reconsider died for a lack of a second. A motion was made by Murray, seconded by Hinton, to reconsider the \$10,000 civil penalty assessment. The motion to reconsider the \$10,000 civil penalty assessment passed the board unanimously. A motion was then made by Murray, seconded by Heim, to assess Ms. Pettigrew a \$50 civil penalty. The motion to assess Ms. Pettigrew a \$50 civil penalty passed the board unanimously.

Show Cause Hearings

08-55 Rosalind Kurita, for failing to report four (4) PAC contributions on her 2008 pre-primary campaign financial disclosure report. Class two (2), maximum ten thousand dollar (\$10,000) civil penalty. Sen. Kurita has had a previous matter before the board. (see below)

The board voted at its October 8, 2008 meeting to issue Sen. Kurita a show cause notice. Sen. Kurita requested that the board delay any action in this matter until the December board meeting to allow her an opportunity to personally appear before the board.

The board voted at its November 12, 2008 meeting to defer any action in this matter until the next meeting to allow Sen. Kurita an opportunity to personally appear before the board.

Sen. Kurita personally appeared before the board and explained that her report has been amended to show the contributions.

A motion was made by Murray to assess Sen. Kurita a \$75 civil penalty. The motion to assess Sen. Kurita a \$75 civil penalty died for a lack of a second. A motion was made by Hinton, seconded by Harding, to assess Sen. Kurita a \$50 civil penalty. The motion to assess Sen. Kurita a \$50 civil penalty passed the board unanimously.

08-60 Rosalind Kurita, for possible violations of the campaign financial disclosure law (class two (2), maximum civil penalty of ten thousand dollar (\$10,000) per violation) and campaign contribution limits act (maximum civil penalty of the greater of ten thousand dollar (\$10,000) and 115% of excess contributions). Sen. Kurita has had a previous matter before the board. (see above)

Based upon a sworn complaint, the board voted at its November 12, 2008 meeting to issue Sen. Kurita a show cause notice.

Sen. Kurita personally appeared before the board to respond to the possible violations.

After discussion, the board without objection decided to handle each of the three (3) issues in separate votes.

On the issue of Kurita Majority PAC being used as a conduit to make contributions to Sen. Kurita's senate campaign:

On motion by Murray, seconded by Hinton, the board voted unanimously to take no action on the allegation.

On the issue of failing to report seven (7) in-kind contributions made by Kurita Majority PAC to Sen. Kurita's senate campaign:

A motion was made by Heim, seconded by Murray, to assess Sen. Kurita a \$1,750 (\$250 for each failure to report in-kind contribution) civil penalty. The motion to assess Sen. Kurita a \$1,750 civil penalty failed the board 3 to 2, with Harding and Hinton voting "no."

A motion was made by Harding, seconded by Long, to assess Sen. Kurita a \$3,500 (\$500 for each failure to report in-kind contribution) civil penalty. The motion to assess Sen. Kurita a \$3,500 civil penalty failed the board 2 to 3, with Heim, Hinton and Murray voting "no."

A motion was made by Hinton, seconded by Long, to assess Sen. Kurita a \$1,400 (\$200 for each failure to report in-kind contribution) civil penalty. The motion to assess Sen. Kurita a \$1,400 civil penalty assessment failed the board 2 to 3, with Harding, Heim and Murray voting "no."

A motion was made by Heim, seconded by Murray, to assess Sen. Kurita a \$1,750 (\$250 for each failure to report in-kind contribution) civil penalty. The motion to assess Sen. Kurita a \$1,750 civil penalty assessment failed the board 3 to 2, with Harding and Hinton voting "no."

A motion was made by Murray, seconded by Heim to assess Sen. Kurita a \$2,000 civil penalty for failure to report seven (7) in-kind contributions. The motion to assess Sen. Kurita a \$2,000 civil penalty assessment passed the board 4 to 1, with Hinton voting “no.”

On the issue of Sen. Kurita's senate campaign accepting contributions in excess of the PAC contribution limits:

A motion was made by Murray, seconded by Hinton, to assess Sen. Kurita a \$1,500 civil penalty. The motion to assess Sen. Kurita a \$1,500 civil penalty assessment passed the board unanimously.

08-61 Kurita Majority PAC, for possible violations of the campaign financial disclosure law (class two (2), maximum civil penalty of ten thousand dollar (\$10,000) per violation) and campaign contribution limits act (maximum civil penalty of the greater of ten thousand dollar (\$10,000) and 115% of excess contributions). The organization has had no previous matters before the board.

Based upon a sworn complaint, the board voted at its November 12, 2008 meeting to issue Sen. Kurita a show cause notice.

Sen. Kurita personally appeared before the board to respond to the possible violations.

After discussion, the board without objection decided to handle each of the three (3) issues in separate votes.

On the issue of Kurita Majority PAC being used as a conduit to make contributions to Sen. Kurita's senate campaign:

On motion by Murray, seconded by Hinton, the board voted unanimously to take no action on the allegation.

On the issue of failing to report seven (7) expenditures made by Kurita Majority PAC as in-kind contributions to Sen. Kurita's senate campaign:

A motion was made by Heim, to assess the organization a \$3,500 (\$500 for each failure to report an in-kind contribution) civil penalty. The motion died for a lack of a second.

A motion was made by Hinton, to assess the organization a \$100 civil penalty assessment for failing to report the seven (7) expenditures as in-kind contributions. The motion died for a lack of a second.

A motion was made by Murray, to assess the organization a \$1,000 civil penalty. The motion died for a lack of a second.

A motion was made by Hinton, seconded by Murray, to assess the organization a \$1,000 civil penalty assessment for failing to report seven (7) expenditures as in-kind contributions. The motion to assess the organization a \$1,000 civil penalty failed the board 2 to 3, with Harding, Heim and Long voting “no.”

A motion was made by Heim, seconded by Long, to assess the organization a \$1,750 (\$250 for each failure to report an in-kind contribution) civil penalty. The motion

to assess the organization a \$1,750 civil penalty passed the board 4 to 1, with Hinton voting “no.”

On the issue of Kurita Majority PAC making campaign contributions in excess of the PAC contribution limits:

A motion was made by Heim, seconded by Murray, to assess the organization a \$250 civil penalty assessment for making a contribution to Sen. Kurita’s senate campaign that was over the contribution limit. A friendly amendment was made by Hinton, accepted by Heim and Murray, to assess the organization a \$1,000 civil penalty assessment for making a contribution to Sen. Kurita’s senate campaign that was over the contribution limit. The motion to assess the organization a \$1,000 civil penalty assessment for making a contribution over the contribution limit to Sen. Kurita’s senate campaign passed the board 4 to 1, with Murray voting “no.”

Cases Subject to Approval of Civil Penalty Order

08-46 Jeff Miller, for failure to file a 2008 mid-year supplemental campaign financial disclosure report. Class two (2), no report filed, maximum ten thousand (\$10,000) civil penalty. Mr. Miller has had previous matters before the board.

The board voted at its October 8, 2008 meeting to issue Mr. Miller a show cause notice.

Director Rawlins informed the board that there has been no response to the show cause notice and that the report still has not been filed.

On motion by Heim, seconded by Hinton, the board voted unanimously to assess Mr. Miller a \$10,000 civil penalty.

08-47 Joe Towns, for failure to file a 2008 2nd quarter campaign financial disclosure report. Class two (2), 33 days late, maximum ten thousand (\$10,000) civil penalty. Rep. Towns has had previous matters before the board. (see below)

The board voted at its October 8, 2008 meeting to issue Rep. Towns a show cause notice.

Director Rawlins informed the board that there has been no response to the show cause notice.

A motion was made by Harding to assess Rep. Towns a \$500 civil penalty. The motion died for a lack of a second. A motion was made by Murray, seconded by Heim, to assess Rep. Towns a \$2,500 civil penalty. The motion to assess Rep. Towns a \$2,500 civil penalty passed the board unanimously.

08-48 Joe Towns, for failure to timely file a 2008 pre-primary campaign financial disclosure report. Class one (1), 15 days late, maximum three hundred seventy-five dollar (\$375) civil penalty. Rep. Towns has had previous matters before the board. (see above)

The board voted at its October 8, 2008 meeting to issue Rep. Towns a show cause notice.

Director Rawlins informed the board that there has been no response to the show cause notice.

A motion was made by Harding to assess Rep. Towns a \$375 civil penalty. The motion died for a lack of a second. A motion was made by Heim, seconded by Harding, to assess Rep. Towns a \$375 civil penalty. The motion to assess Rep. Towns a \$375 civil penalty passed the board unanimously.

08-53 *Progressive Women's Coalition*, for failure to file a 2008 2nd quarter campaign financial disclosure report. Class two (2), no report filed, maximum ten thousand (\$10,000) civil penalty. The organization has had no previous matters before the board.

The board voted at its October 8, 2008 meeting to issue the organization a show cause notice.

Director Rawlins informed the board that there has been no response to the show cause notice and that the report still has not been filed.

On motion by Harding, seconded by Murray, the board voted unanimously to assess the organization a \$10,000 civil penalty.

08-59 *Rubin Adams*, for failure to timely file a 2008 3rd quarter campaign financial disclosure report. Class one (1), six days late, maximum one hundred fifty (\$150) civil penalty. Mr. Adams has had no previous matters before the board.

The board voted at its November 12, 2008 meeting to issue Mr. Adams a show cause notice.

Director Rawlins informed the board that there has been no response to the show cause notice but that Mr. Adams has closed his campaign account.

On motion by Harding, seconded by Heim, the board voted unanimously to take no further action in this matter.

08-62 *Terri Lynn Weaver*, for exceeding the contribution limit from an individual. Maximum civil penalty of the greater of ten thousand dollars (\$10,000) and 115% of the excess contribution. Rep. Weaver has had no previous matters before the board.

Based upon a sworn complaint filed with the Registry, the board voted at its November 12, 2008 meeting to issue Rep. Weaver a show cause notice for accepting a contribution in excess of the individual contribution limit.

Rep. Weaver personally appeared before the board and explained that she had refunded the excess contribution.

On motion by Murray, seconded by Heim, the board voted unanimously to assess Rep. Weaver a \$50 civil penalty.

Cases Considered for Issuance of Show Cause Notice

Bill Brown, for failure to file a 2008 3rd quarter campaign financial disclosure report. Class two (2), no report filed, maximum ten thousand (\$10,000) civil penalty. Mr. Brown has had a previous matter before the board.

On motion by Heim, seconded by Harding, the board voted unanimously to issue a show cause notice.

Devora Butler, for failure to timely file a 2008 3rd quarter campaign financial disclosure report. Class one (1), 14 days late, maximum three hundred fifty (\$350) civil penalty. Ms. Butler has had no previous matters before the board.

On motion by Heim, seconded by Harding, the board voted unanimously to issue a show cause notice.

Boris Combest, for failure to timely file a 2008 pre-primary campaign financial disclosure report. Class one (1), 11 days late, maximum two hundred seventy-five (\$275) civil penalty. Mr. Combest has had previous matters before the board. (see below)

Director Rawlins informed the board that Mr. Combest has closed his campaign account with the Registry.

On motion by Harding, seconded by Heim, the board voted unanimously to take no action in this matter.

Boris Combest, for failure to timely file a 2008 3rd quarter campaign financial disclosure report. Class one (1), two days late, maximum fifty (\$50) civil penalty. Mr. Combest has had previous matters before the board. (see above)

Director Rawlins informed the board that Mr. Combest has closed his campaign account with the Registry.

On motion by Harding, seconded by Heim, the board voted unanimously to take no action in this matter.

Kevin Fisher, for failure to file a 2008 3rd quarter campaign financial disclosure report. Class two (2), no report filed, maximum ten thousand (\$10,000) civil penalty. Mr. Fisher has had no previous matters before the board.

On motion by Heim, seconded by Harding, the board voted unanimously to issue a show cause notice.

Jerome Perkins, for failure to file a 2008 3rd quarter campaign financial disclosure report. Class two (2), no report filed, maximum ten thousand (\$10,000) civil penalty. Mr. Perkins has had no previous matters before the board.

On motion by Heim, seconded by Harding, the board voted unanimously to issue a show cause notice.

Pamela Smith, for failure to file a 2008 3rd quarter campaign financial disclosure report. Class two (2), no report filed, maximum ten thousand (\$10,000) civil penalty. Ms. Smith has had no previous matters before the board.

On motion by Heim, seconded by Harding, the board voted unanimously to issue a show cause notice.

Build PAC, for failure to timely file a 2008 pre-general campaign financial disclosure report. Class one (1), six days late, maximum one hundred fifty (\$150) civil penalty. The organization has had no previous matters before the board.

On motion by Heim, seconded by Harding, the board voted unanimously to issue a show cause notice.

Democratic Resource Center, for failure to file a 2008 3rd quarter campaign financial disclosure report. Class two (2), no report filed, maximum ten thousand (\$10,000) civil penalty. The organization has had a previous matter before the board. (see below)

On motion by Heim, seconded by Harding, the board voted unanimously to issue a show cause notice.

Democratic Resource Center, for failure to file a 2008 pre-general campaign financial disclosure report. Class two (2), no report filed, maximum ten thousand (\$10,000) civil penalty. The organization has had a previous matter before the board. (see above)

On motion by Heim, seconded by Harding, the board voted unanimously to issue a show cause notice.

Madison County Democratic Executive Committee, for failure to file a 2008 pre-general campaign financial disclosure report. Class two (2), no report filed, maximum ten thousand (\$10,000) civil penalty. The organization has had a previous matter before the board.

On motion by Heim, seconded by Harding, the board voted unanimously to issue a show cause notice.

Progressive Women's Coalition, for failure to file a 2008 pre-primary campaign financial disclosure report. Class two (2), no report filed, maximum ten thousand (\$10,000) civil penalty. The organization has had a previous matter before the board.

On motion by Heim, seconded by Harding, the board voted unanimously to issue a show cause notice.

Tennessee Anesthesiologists PAC, for failure to timely file a 2008 3rd quarter campaign financial disclosure report. Class one (1), two days late, maximum fifty (\$50) civil penalty. The organization has had previous matters before the board.

On motion by Heim, seconded by Harding, the board voted unanimously issue a show cause notice.

Tennessee Firearms Assn. Legislative Action Committee, for failure to file a 2008 pre-general campaign financial disclosure report. Class two (2), no report filed, maximum ten thousand (\$10,000) civil penalty. The organization has had no previous matters before the board.

On motion by Heim, seconded by Harding, the board voted unanimously to issue a show cause notice.

United for Healthcare PAC of Tennessee, for failure to timely file a 2008 pre-general campaign financial disclosure report. Class one (1), two days late, maximum fifty (\$50) civil penalty. The organization has had no previous matters before the board.

On motion by Harding, seconded by Heim, the board voted unanimously to take no action in this matter.

Wedge PAC, for failure to timely file a 2008 pre-general campaign financial disclosure report. Class one (1), eight days late, maximum two hundred (\$200) civil penalty. The organization has had no previous matters before the board.

On motion by Heim, seconded by Harding, the board voted unanimously to issue a show cause notice.

Reported Financial Expenses

Director Rawlins provided the board members with a list of civil penalties that have been paid year to date.

Director Rawlins presented the expenditure reports for the 2006/2007 fiscal year through October 31, 2008.

Executive Director's Report

- Director Rawlins provided the board with the draft responses to the Performance Audit findings. After discussion, the board approved, without objection, the responses to the findings.
- Director Rawlins provided the board with a copy of the Financial Audit covering the period February 1, 2005 through July 31, 2008 for the Secretary of State, which includes the Registry's financial activities.

Election of Officers

A motion was made by Murray, seconded by Harding, to name Wade Hinton as chairperson and Patricia Heim as secretary for 2009 by acclamation.

Other Business

Long, seconded by Murray made a motion, to adjourn the meeting until the next regularly scheduled meeting. The motion passed unanimously.